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## Scottsdale Man Receives 20-Year Prison Sentence for Investment Fraud

(Phoenix, Ariz. – June 3, 2008) Attorney General Terry Goddard today announced that Gregory B. Gill, 56, of Scottsdale, was sentenced to 20 years in prison followed by seven years probation. He was also ordered to pay more than \$7.8 million in restitution. Four months ago, Gil pleaded guilty to two counts of fraud and one count of money laundering. He is one of four defendants in this case.

According to court documents, between 1998 and 2001, Gil was one of two managing members of Scottsdale Financial Funding Group and also of Martin & Griffin, LLC. The State alleged that the defendants' enterprises were fraud schemes that obtained money from elderly investors through false promises and omissions regarding the safety of the investments and the manner in which defendants would use the money. Investors were also not advised that Gill had prior convictions for conspiracy and wire fraud. The defendants obtained more than \$10 million from 70 investors and repaid about \$2.7 million.

Three months ago, co-defendant Tad Ulrich, 43, of Phoenix, the primary salesman for the two enterprises, was sentenced to five years in prison, followed by four years probation, and was ordered to pay \$4.3 million in restitution. Ulrich pleaded guilty to two counts of securities fraud and two counts of sale of unregistered securities. He ran ads in publications such as "Arizona Senior World" that falsely offered certificates of deposit, or similarly safe investments, at attractive interest rates. The securities being sold by the defendants, however, were high-risk, unsecured investment contracts and were not registered with the Arizona Corporation Commission.

Another salesman, Wallace Butterworth, 75, of Phoenix, was sentenced to six months in jail beginning in September 2008 and four years probation, plus \$728,000 in restitution. He pleaded guilty to one count of sale of unregistered securities.

In January, co-defendant Hayden K. Holland, 40, pleaded guilty to two counts of fraud and two counts of securities fraud. He is scheduled to be sentenced by Maricopa Superior Court Judge Maria del Mar Verdin on July 18.

This case is the result of a joint effort by investigators and attorneys of the Arizona Corporation Commission Securities Division and the Attorney General's Office.

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